



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-201-830]

Carbon and Certain Alloy Steel Wire Rod from Mexico: Final Affirmative Determination of Circumvention of the Antidumping Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that imports of carbon and certain alloy steel wire rod (wire rod) with actual diameters less than 4.75 mm produced and/or exported by Deacero S.A.P.I. de C.V (Deacero), and otherwise meeting the description of subject merchandise, are circumventing the antidumping duty (AD) order on wire rod from Mexico.

DATES: Applicable **[INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

FOR FURTHER INFORMATION CONTACT: Samuel Brummitt or Eric B. Greynolds, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-7851 or (202) 482-6071, respectively.

SUPPLEMENTARY INFORMATION:

Background

On October 19, 2018, Commerce published the *Preliminary Determination* of the anti-circumvention inquiry of wire rod with actual diameters less than 4.75 mm produced and/or

exported by Deacero.¹ A summary of the events that occurred since Commerce published the *Preliminary Determination*, as well as a full discussion of the issues raised by interested parties for this final determination, may be found in the Issues and Decision Memorandum which is hereby adopted by this notice.² The Issues and Decision Memorandum is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and is available to all parties in the Central Records Unit, Room B-8024 of the main Department of Commerce building. In addition, a complete public version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

Commerce exercised its discretion to toll all deadlines affected by the partial federal government closure from December 22, 2018, through the resumption of operations on January 29, 2019.³ If the new deadline falls on a non-business day, in accordance with

¹ See *Carbon and Certain Alloy Steel Wire Rod from Mexico: Preliminary Affirmative Determination of Circumvention of the Antidumping Duty Order*, 83 FR 53030 (October 19, 2018), and accompanying Preliminary Decision Memorandum.

² See Memorandum, "Issues and Decision Memorandum for the Final Affirmative Determination of Circumvention Concerning Carbon and Certain Alloy Steel Wire Rod from Mexico Produced and/or Exported by Deacero S.A.P.I. de C.V.," (Issues and Decision Memorandum), dated concurrently with this determination and hereby adopted by this notice.

³ See Memorandum to the Record from Gary Taverman, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Partial Shutdown of the Federal Government," dated January 28, 2019. All deadlines in this segment of the proceeding affected by the partial federal government closure have been extended by 40 days.

Commerce's practice, the deadline will become the next business day. Accordingly, the revised deadline for this final determination is now March 6, 2019.

Scope of the Order⁴

The products covered by the order are wire rod of approximately round cross section, 5.00 mm or more, but less than 19.00 mm, in solid cross-sectional diameter. For a complete description of the scope of the order, *see* the Issues and Decision Memorandum.

Scope of the Anti-Circumvention Inquiry

The products covered by this inquiry are imports of wire rod with an actual diameter less than 4.75 mm that are produced and/or exported to the United States by Deacero, and otherwise meeting the description of subject merchandise.

Methodology

Commerce conducted this anti-circumvention determination in accordance with section 781(c) of the Tariff Act of 1930, as amended (the Act). For a full description of the methodology underlying our conclusions, *see* the Issues and Decision Memorandum. A list of topics included in the Issues and Decision Memorandum is included in the Appendix to this notice.

Final Affirmative Determination of Circumvention

As detailed in the Issues and Decision Memorandum, we determine, pursuant to section 781(c) of the Act and 19 CFR 351.225(i), that imports of wire rod with an actual diameter less than 4.75 mm that are produced and/or exported to the United States by Deacero, and otherwise meeting the description of subject merchandise, constitute merchandise "altered in form or appearance in minor respects" that should be considered within the class or kind of merchandise

⁴ *See Notice of Antidumping Duty Orders: Carbon and Certain Alloy Steel Wire Rod from Brazil, Indonesia, Mexico, Moldova, Trinidad and Tobago, and Ukraine*, 67 FR 65945 (October 29, 2002) (*Order*).

subject to the *Order*.

Continuation of Suspension of Liquidation

As stated above, Commerce has made an affirmative finding of circumvention of the *Order* with respect to imports of wire rod with an actual diameter less than 4.75 mm produced and/or exported to the United States by Deacero. In accordance with 19 CFR 351.225(l)(2), we are directing U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of wire rod with an actual diameter less than 4.75 mm produced and/or exported to the United States by Deacero entered, or withdrawn from warehouse, for consumption on or after February 7, 2018, the date of publication of the initiation of this inquiry, until appropriate liquidation instructions are issued.⁵ In accordance with 19 CFR 351.225(l)(2) Commerce will also instruct CBP to continue to require a cash deposit of estimated duties, at the rate applicable to subject merchandise produced and/or exported Deacero, for each unliquidated entry of wire rod with an actual diameter less than 4.75 mm produced and/or exported by Deacero and entered, or withdrawn from warehouse, for consumption on or after February 7, 2018.

Notification Regarding Administrative Protective Orders

This notice will serve as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return/destruction or APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

⁵ See *Carbon and Certain Alloy Steel Wire Rod from Mexico: Initiation of Anti-Circumvention Inquiry of Antidumping Duty Order*, 83 FR 5405 (February 7, 2018) (*Initiation Notice*).

Notification to Interested Parties

This determination is issued and published in accordance with section 781(c) of the Act and 19 CFR 351.225(f).

Dated: March 6, 2019.

Gary Taverman,

Deputy Assistant Secretary

*for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance.*

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Prior Anti-Circumvention Determination
- V. Merchandise Subject to the Anti-Circumvention Inquiry
- VI. Discussion of the Issues
 - A. Whether Commerce is Improperly Expanding the Scope of the *Order* to Cover Products Which Were Not Expressly Included in the Scope of the U.S. International Trade Commission's (ITC) Injury Determination
 - B. First Prong of the Minor Alteration Analysis – Overall Physical Characteristics
 - C. Second Prong of the Minor Alteration Analysis – Expectations of Ultimate Users
 - D. Third Prong of the Minor Alteration Analysis – Use of Merchandise
 - E. Fourth Prong of the Minor Alteration Analysis – Channels of Marketing
 - F. Fifth Prong of the Minor Alteration Analysis – Cost of Modification
 - G. Whether Commerce is Improperly Expanding the Scope of the *Order* to Cover Wire Rod with a Diameter Less Than 4.4 mm to Prevent Future Circumvention of the *Order*
- VII. Recommendation

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